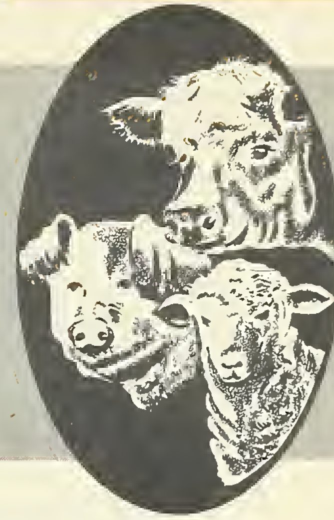
FOREIGN AGRICULTURE CIRCULAR

U.S. DEPARTMENT OF AGRICULTURE
Foreign Agricultural Service Washington D.C.



LIVESTOCK AND MEATS
FLM 13-60
November 1960

WORLD HOG SLAUGHTER TO RISE IN 1961

Total hog slaughter is expected to rise 2 percent during 1961 in 29 countries. Slaughter in 1960 is an estimated 1 percent less than a year earlier, but 22 percent above the 1951-55 average.

Most of the 1961 increase is expected in Europe. Slaughter in Western Europe in 1960 is estimated to be 1 percent greater than a year earlier and further increase of 2 percent is expected in 1961.

The European gain over the 1951-55 average has been 40 percent. Slaughter is expected to continue to rise generally in Eastern Europe. Slaughter in the 5 Eastern European countries--Bulgaria, East Germany, Hungary, Poland, and Yugoslavia--rose from 28.3 million head in 1957 to 30 million in 1958 and to 30.8 million in 1959. The total was 22 percent above the 1951-55 average.

A slight increase in the kill in North America is expected during 1961. Decreased production in Canada may be more than offset by larger slaughter in Mexico, the United States, and Cuba. Slaughter in these 4 North American countries in 1960 is expected to total about 8 percent more than the 1951-55 average.

Relatively large pork production in Europe next year will tend to reduce U.S. exports of pork and lard to that area. Western Europe formerly was a large net importer of pork, but in 3 of the past 5 years has been a net exporter. The United Kingdom has been obtaining a larger share of its pork import requirements from European countries. Eastern European countries have progressively increased exports to Western Europe in recent years.

This circular contains more detailed information than the summary of similar title published in the monthly supplement issue of Foreign Crops and Markets of October 27, 1960.

Demand for fat cuts and lard in Europe generally has continued relatively weak; this has encouraged accelerated programs to develop meat-type hogs in several countries. The United Kingdom has been an exception to this general trend. Lard consumption and imports have continued to increase to the highest levels since the end of World War II. Western Europe, excluding the United Kingdom, has become a net exporter of lard. The United Kingdom has become by far the largest lard importing country, and has taken about 60 percent of U.S. lard exports in 1960. About 80 percent of U.K. lard imports have come from the United States.

The modest increase in world pork production expected in 1961 can be readily consumed by the growing population. Should demand for pork remain as strong as in 1960, hog prices generally will remain favorable to producers.

Hog slaughter in Canada declined sharply in 1960 from the 1959 peak. A further decline is expected until about mid-1961. Hogs on Canadian farms on September 1 were down 20 percent from a year earlier. Farrowings were down 2 percent from a year earlier during June-August, but during September-November are expected to be about 8 percent above a year ago. This would indicate the end of the current downtrend in slaughter in the second half of 1961.

Slaughter in West Germany continues to increase. Hog numbers on farms on June 1, 1960, were 2.5 percent greater than a year earlier. The number of bred sows was up 11 percent.

Germany has continued to increase its imports of variety meats in 1960, despite its greater domestic production, and the United States has shared in this gain. Total imports of lard, however, have been below 1959 and fatback import quotas have been reduced further. U.S. lard exports to Germany have been reduced and shipments of fatbacks have fallen to an unusually low level.

Hog slaughter in Denmark may rise somewhat in 1961 although the August 27, 1960 census showed about the same number of hogs on farms as a year earlier. Domestic feed supplies are larger because of the better harvests this year. Denmark has been able to increase its exports of Wiltshire sides to the United Kingdom in competition with other suppliers. On July 1, 1960 the 10 percent duty on imports of Danish bacon was halved, and it will be reduced to zero on July 1, 1961 in accordance with an agreement under the European Free Trade Association. Similarly, the duty on canned pork luncheon meat has been and will be further reduced.

Slaughter in France may reach a new peak in 1961. Hog prices in Paris during the first half of 1960 averaged 5 percent higher than a year earlier. However, there is some apprehension that hog prices

will reach support levels this fall and require government purchases. France has continued a policy of restricting imports of livestock and meat products because of its high price guarantees to producers.

In the United Kingdom, hog numbers on farms in mid-1960 were moderately below a year earlier, but the number of breeding sows was up moderately, indicating an increase in production for slaughter in 1961. The decrease in hog numbers and slaughter during 1960 was primarily due to the drought of 1959 which reduced supplies of skimmed milk, other dairy by-products, and other hog feeds.

The United Kingdom has been obtaining 99 percent of its imported bacon and pork from European sources this year compared with 95 percent in 1958 and 63 percent in 1938. It is receiving 97 percent of its imported canned pork from Europe in 1960 compared with 95 percent in 1958 and 47 percent in 1938.

During January-June 1960, U.K. imports of bacon were 24 percent greater than a year earlier and imports of fresh and frozen pork were up 38 percent. Most of the increase in fresh and frozen pork was from Sweden and Denmark. The United States cannot export fresh, frozen or other uncooked pork or pork variety meats to the United Kingdom because of British veterinary regulations, or canned and cooked pork or other meats due to U.K. dollar restrictions.

A further sharp increase in hog slaughter is expected in Yugoslavia this year, and the rise is expected to continue into 1961. This year's corn crop was large and there was a large carryover from the 1959 crop. The government has increased prices to producers and premiums for the production of meat and bacon-type hogs. Exports of canned pork have increased from an average of only 4.9 million pounds in 1952-56 to 40.2 million in 1959. Moderate quantities of canned hams and other canned pork products have been exported to the United States.

In the Netherlands hog slaughter increased sharply in 1960 but is expected to decline in 1961. During 1960, exports of slaughter hogs to West Germany have been subsidized by the Product Board and domestic prices have declined considerably. The Product Board also paid premiums for light weight hogs in the spring to discourage production of fat cuts and lard. The maximum price which the government paid the producers for bacon carcasses dropped 16 percent from October 1959 to May 1960. Exports of bacon to the United Kingdom have been maintained at a relatively high level.

Hog production is still expanding in Switzerland. Despite larger production, prices have been in the upper half of the "indicative price" range. During the first half of 1960, a small surplus of domestic pork was acquired and stored to support prices. However, stocks were absorbed in the domestic market during the summer and the price out-

look is favorable for the large marketings this fall and early winter.

Austrian slaughter in 1960 is expected to be 5 percent larger than a year earlier and a small increase is expected in 1961. Hog prices have been adjusted to encourage slaughter in July-September when the tourist influx adds substantially to the demand for pork.

In the spring and summer of 1960, some 50,000 hogs were destroyed in Spain to eradicate African Swine Fever. The government is encouraging the slaughter of garbage-fed hogs and has advised cooking the garbage before it is fed to prevent the spread of the disease. The National Supply Commission held fairly large quantities of fatback and lard as a price support measure in early 1960. The cost of finishing hogs on acorns was high, due to the high rates for oak forest leases. More than half of the reported hog slaughter in Spain is farm slaughter for farm home consumption.

Slaughter in Poland during 1959 was reported at nearly 12 million head, compared with almost 13 million in 1958 and 12.2 million in 1957. Slaughter in 1960 is expected to rise moderately as the number of hogs on farms in mid-1960 was up 12 percent from a year earlier.

Hogs: Total number slaughtered in specified countries, average 1951-55, annual 1958-59, indicated 1960, and forecast 1961

Continent and country	Average 1951-55	1958	1959	Indicated 1960	Forecast 1961	Percent change: 1960 of 1959	Percent change: 1961 of 1960
	Thousands	Thousands	Thousands	Thousands	Thousands	Percent	Percent
North America:							
Canada 1/	5,527	6,467	8,572	6,580	6,118	-22	-2
Mexico	2,281	3,100	3,000	3,300	3,630	+10	+10
United States 2/	79,807	77,339	88,431	84,800	85,600	-4	+1
Cuba	1,194	1,175	1,250	1,225	1,240	-2	+1
Total	88,809	88,081	101,253	96,041	97,050	-5	+1
South America:							
Argentina	1,893	2,159	2,140	2,740	2,740	+28	—
Brazil 1/	6,227	7,500	7,600	7,800	8,000	+3	+3
Colombia 1/	701	797	860	903	947	+5	+5
Uruguay	232	251	275	278	280	+1	+1
Total	9,053	10,707	10,875	11,721	11,967	+8	+2
Europe:							
Austria	2,348	2,957	2,979	3,115	3,160	+5	+1
Belgium	2,124	2,339	2,530	2,800	2,900	+11	+4
Denmark	6,346	8,061	8,800	8,765	9,300	—	+6
France 1/	6,161	8,450	9,592	9,015	9,590	-6	+6
Germany, West	3/14,441	4/19,790	4/19,343	4/20,000	4/20,700	+3	+4
Ireland	1,092	1,474	1,280	1,310	1,420	+2	+8
Italy	3,857	4,324	4,865	5,155	5,100	+6	-1
Netherlands	3,092	4,102	3,955	4,945	4,470	+25	-10
Norway	486	620	660	745	740	+13	-1
Portugal 5/	430	613	566	500	500	-12	—
Spain 6/	2,080	2,551	2,685	2,700	2,500	+1	-8
Sweden	2,363	3,158	3,222	3,165	3,120	-2	-2
Switzerland	1,064	1,362	1,415	1,495	1,550	+6	+4
United Kingdom 1/	7,829	11,016	10,824	9,860	10,000	-9	+1
Yugoslavia 1/	7/4,704	4,776	6,324	7,100	8,000	+12	+13
Total	58,417	75,593	79,040	80,670	83,050	+2	+3
Africa:							
Union of South Africa 8/	902	990	916	858	864	-6	-7
Asia:							
China Taiwan 1/	7/1,508	2,310	2,151	—	—	—	—
Japan 1/	1,477	3,131	3,562	3,182	3,783	-11	+19
Philippines	2,371	3,328	3,296	3,550	3,834	+8	+8
Total	5,356	8,769	9,009	8,732	9,517	-3	+8
Oceania:							
Australia	1,632	2,086	1,990	2,100	2,500	+6	+19
New Zealand 9/	734	768	883	855	825	-3	-4
Total	2,366	2,854	2,873	2,955	3,325	+3	+13
Total specified countries	164,903	186,994	203,966	200,977	205,773	-1	+2

1/ Commercial slaughter only. 2/ Excludes slaughter in Hawaii and Virgin Islands. 3/ Slaughter from domestic sources only. Excludes Saarland. 4/ Includes imported animals slaughtered. Includes Saarland. 5/ Inspected slaughter only. 6/ Reported slaughter only. 7/ Less than 5 years. 8/ Year ending June 30. 9/ Year ending September 30.

Prepared or estimated on the basis of official statistics of foreign governments, other foreign source material, reports of United States Agricultural Attaches and other representatives abroad, results of office research and related information
Foreign Agricultural Service, October 1960.

UNITED STATES DEPARTMENT OF AGRICULTURE
WASHINGTON 25, D. C.

Official Business

POSTAGE AND FEES PAID
U. S. DEPARTMENT OF AGRICULTURE